

**Board of County Commissioners
Leon County, Florida**

Policy No.

Title: Purchasing and Minority/Women Business Enterprise Policy
Date Adopted: December 13, 2005
Effective Date: December 14, 2005
Reference: Chapter 274, Florida Statutes
Policy Superseded: Policy adopted July 14, 1990; Revised September 10, 1991;
Policy No. 96-1, "Purchasing Policy"; adopted January 16,
1996; Revised November 25, 1997; Revised February 24, 1998;
Revised July 20, 2002; Revised March 22, 2005, Revised
December 13, 2005

It shall be the policy of the Board of County Commissioners of Leon County, Florida, that Policy No. 96-1, "Purchasing and Minority/Women Business Enterprise Policy," adopted by the Board of County Commissioners on January 16, 1996, be revised and hereby adopted in its place, to wit:

50. "Small Purchases" means the procurement of commodities or services with a value within the thresholds set for this category without the requirement of quotes, bids, or public notice under procedures established by the Purchasing Division.
49. "Sole (Single) Source Purchases" means the purchase of a commodity, service, equipment, or construction item(s) from one available practical source of supply. A Sole (single) Source may be declared such by the Board of County Commissioners for reasons acceptable to it.
50. "Specification" means any description of the physical or functional characteristics of the nature of a material, supply, service, construction, or equipment item. It may include a description of any requirement for inspection, testing, recycled or degradable materials content, or preparing a material, supply, service, construction, or equipment item for delivery.
51. "Supplier" means a person or firm who engages in the selling of materials and supplies to contractors, subcontractors, and/or manufacturers for the purpose of constructing, repairing, altering, remodeling, adding to or subtracting from or improving any building, structure or property through a direct contract/agreement on behalf of the general contractor.
52. "Tangible Personal Property" is defined as property which has an original acquisition cost of \$750 or more; is not consumed in use and has a useful life of one year or more after initial acquisition; is not fixed in place and not an integral part of a structure or facility; and is not an integral part or component of another piece of equipment.
53. "Term Contract" means indefinite quantity contract whereby a contractor(s) agrees to furnish an item or items during a prescribed period of time (such as 3, 6, 9, 12 months or a specific date). The specified period of time or date completes such contract.
54. "Tie (Identical) Bid" is when two or more bids are equal with respect to price and it appears that the quality and service offered by the vendors are otherwise comparable.

Section 4 AUTHORITY OF PURCHASING DIRECTOR

- A. The Purchasing Director shall serve as the central purchasing officer of Leon County.
- B. The Purchasing Director shall develop and administer operational procedures governing the internal functions of the Division of Purchasing.
- C. Except as otherwise specifically provided in this policy, the Purchasing Director, or his/her designee, shall, in accordance with regulations promulgated by the Board of County Commissioners:
 - 1) Purchase or supervise the purchase of all supplies, services, materials, equipment, and construction services defined within the scope of this policy.
 - 2) Operate a central warehouse for the purchasing, in bulk, of items which may be more economically bought and distributed than when purchased on an individual basis; and to provide facilities for storage of critically needed supplies.
- D. Upon the prior approval of the Leon County Director of Management Services, the Purchasing Director may delegate authority to designee(s) as allowed by law or rule.
- E. The Purchasing Director shall assist the Minority Business Enterprise Coordinator, implement, monitor, and enforce the County's Minority Business Enterprise program policy.

Section 5 PURCHASING CATEGORIES; THRESHOLD AMOUNTS

- A. Petty Cash/Reimbursement (Section 5.01) Not to exceed \$100
- B. Field Purchase Order (Section 5.02) \$1 to \$500

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- C. Small Purchase Procedures (Section 5.03) \$1 to \$500 1,000
Warehouse Operations Section 5.031) \$1 to \$2,000 \$5,000
- D. Blanket Purchase Orders (Section 5.04)
non-contractual basis ~~\$201 to~~ not to exceed \$2 5,000
contractual basis ~~not to exceed \$50,000~~ \$100,000
- E. Field Quotes (Section 5.05) ~~\$501~~ \$1,000 to \$5,000
- F. Purchasing Quotes (Section 5.06) \$5,001 to ~~\$10,000~~ \$20,000
- G. Informal Bid Process (Section 5.07) ~~\$10,001 to~~ \$20,001 to \$50,000
- H. Competitive Sealed Bids (Section 5.08) ~~\$20,001~~ 50,001 and above
- I. Competitive Sealed Proposals (Section 5.09)
Approved by County Administrator ~~\$10,001~~ \$20,001 to \$20,000 \$50,000
Approved by the Board ~~\$20,001~~ \$50,001 and above

Section 5.01 PETTY CASH/REIMBURSEMENT

- A. Petty cash funds shall be established and administered under the financial policies of the Board.
- B. Purchases from any petty cash fund or the reimbursement for a purchase shall be governed by the following requirements:
- 1) No purchase of any single item from any petty cash fund or for reimbursement shall exceed the authorized dollar limit for petty cash/reimbursements in Section 5.
 - 2) Reimbursement for employee travel expenses from a petty cash fund shall not be allowed, except for local parking or toll costs.
 - 3) Funds contained within a petty cash fund shall not be expended for the payment of salaries.
 - 4) Expenditures from a petty cash fund or personal funds shall be reimbursed, provided:
 - a) They are supported by itemized vouchers, invoices, or receipts signed by the division or department head or designee.
 - b) They qualify as a proper public purpose.
 - c) They are expenses included within the approved annual budget of the division or department.

Section 5.02 FIELD PURCHASE ORDERS

- A. Field purchase orders shall be used for purchase of small, sundry items which cost not more than the threshold authorized for field purchase orders in Section 5. Field purchase orders shall be used for a single or aggregate purchase, but only for a single transaction. Employees are encouraged to seek out and utilize certified minority and women-owned business enterprises in these purchases.
- B. Field purchase orders shall not be combined to purchase any item which costs more than the approved threshold limit and shall not be used in the manner of or in lieu of a blanket purchase order.
- C. Field purchase orders shall be issued and authorized only by department and division heads.

Section 5.03 SMALL PURCHASES

The purchase of commodities, equipment and services which cost less than the threshold authorized in Section 5 does not require solicitation of quotes or bids. Small purchases shall be authorized by Department or Division heads or their designees. Employees are encouraged to seek out and utilize certified minority and women-owned business enterprises in these purchases.

Section 5.031 WAREHOUSE OPERATIONS

The purchase of commodities, materials, and equipment for warehouse inventory which cost less than the threshold authorized in Section 5 does not require solicitation of quotes or bids. Use of economic indices, review of costs, market trends, and/or use of periodic quotations shall be used by staff to assure cost effective purchases. Warehouse employees are encouraged to seek out and utilize certified minority and women-owned business enterprises in these purchases.

Section 5.04 BLANKET PURCHASE ORDERS

Blanket Purchase Orders of either type listed below shall not be used to purchase any tangible personal property item. Tangible personal property items shall be listed as individual line items on a purchase order.

- A. Non-contractual Basis. All purchases made with a non-contractual blanket purchase order shall follow the thresholds and requirements for competitive selection. No purchase order shall be issued for an amount greater than the limit established for a non-contractual blanket purchase order in Section 5 of this policy for the purchase of goods or services not under a contractual arrangement authorized under this purchasing policy or approved by the Board.
- B. Contractual Basis. No purchase order shall be issued for an amount greater than the limit established for a contractual blanket purchase order in Section 5 of this policy for the purchase of goods or services unless approved by the Board.

Section 5.05 FIELD QUOTES

The purchase of goods and services which cost within the range authorized for field quotes in Section 5 shall require competitive quotations from three or more vendors. The quotations may be obtained by the Department/Divisions. Employees are encouraged to seek out and secure at least one of the three quotes from certified minority and women-owned business enterprises. The Purchasing Director shall review the quotations and make the award or require additional quotations prior to award.

Section 5.06 PURCHASING QUOTES

The purchase of goods and services which cost within the range authorized for purchasing quotes in Section 5 shall require competitive quotations from three or more vendors. The quotations may be obtained by the operating department/division or the Purchasing Division and shall be reviewed and awarded by the Purchasing Director. Quotes must be on company letterhead, quote forms, or in a similar format with a date and signature of an authorized representative of the vendor. Employees are encouraged to seek out and secure at least one of the three quotes from certified minority and women-owned business enterprises.

Section 5.07 INFORMAL BIDS

For purchases within the cost range authorized for informal bids in Section 5, the Purchasing Director shall secure, whenever possible, a minimum of three written quotations which shall be the result of written specifications transmitted by mail, by electronic format, or by facsimile. When such quotations are received by facsimile, the purchasing agent will immediately seal and label the quotations until the time set for opening bids. In those instances where the securing of three quotations is not practicable, the Purchasing Director shall provide written justification of such. The Purchasing Division shall seek out and encourage participation in the bid from certified minority and women-owned business enterprises. The quotations shall be reviewed and a written recommendation of award shall be prepared by the Purchasing Director for approval by the County Administrator.

- 3) by the costs attributable to the events or situations under such clauses with adjustment of profit or fee, all as specified in the contract or subsequently agreed upon by the Board;
 - 4) in such other manner as the contracting parties may mutually agree; or
 - 5) in the absence of agreement by the parties, by a unilateral determination by the County of the costs attributable to the events or situations under such clauses with adjustment of profit or fee as computed by the County, subject to the provisions of this section.
- B. Cost or Pricing Data Required. A contractor shall be required to submit cost or pricing data if any adjustment in contract price is subject to the provisions of this Section.

Section 6.3 CHANGE ORDERS/CONTRACT AMENDMENTS

- A. ~~Change Orders. For change orders, whether a capital improvement or a consultant services project, the following limits shall apply:~~

- ~~1) The County Administrator is granted authority to approve, within budgeted funds, change orders not to exceed fifty thousand dollars (\$50,000).~~
- ~~2) Change orders which exceed fifty thousand (\$50,000) shall require approval of the Board of County Commissioners.~~

Change Orders. Change Orders are written documentation reflecting changes made to stipulations, condition, or terms of the contract during the contract period whether the contract is a capital improvement or a consultant services contract. There are two types of change orders that may be made to these contracts.

1. Field Change Order. This change order is identified in the original approved contract as a contingency and is referred to as a field change order. It is customary in more complex contracts to include a contingency for changes to the original contract through Field Change Orders. For contracts of less than \$1,000,000 a contingency may be included generally not to exceed 10% of the contract value, unless circumstances justify same. For contracts in excess of \$1,000,000, a contingency shall be included, but shall generally not exceed 5% of the original contract value, unless circumstances justify same.

When a contract is approved with such a contingency, the Project Manager with the concurrence of the respective Department Director or designee is authorized to approve one or more Change Orders up to the aggregate monetary value of the contingency. The contract must contain an approved contingency clause for this type of Field Change Order such as "The contract price includes a 5% or 10% (whichever is applicable) contingency amount for change orders that may be authorized at the discretion of the County."

Alternately, as a part of the project award recommendation, staff may propose an alternate amount for the level of pre-approved field Change Orders based upon the known complexity of the project; the certainty of unknown factors such as asbestos abatement or unknown conditions in rehabilitation; or other such factors for consideration by the Board.

2. Board Approved Change Order. Any change order the cost of which exceeds the Field Change Order Threshold amount, or a Change Order which amends the scope of work or services in a significant manner shall be considered by the Board.

- B. Contract Amendments. Contract amendments, other than change orders, which provide for the alteration of specifications, delivery point, time, payments, quantity, or similar provisions of a contract without changing the scope of the project may be approved by an appropriate person based upon the dollar value of the amendment. The purchasing categories' thresholds designated in Sections 5 through 5.09 shall govern the appropriate level of approval.

Section 6.4 ASSIGNMENTS OF CONTRACTS

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